

MINUTES OF THE REGULAR MEETING OF THE TRINIDAD CITY COUNCIL
WEDNESDAY, AUGUST 10, 2016

I. CALL TO ORDER

- Mayor Miller called the meeting to order at 6:00PM. Council members in attendance: West, Fulkerson, Miller, Baker, Tissot.
- City Staff in attendance: City Manager Dan Berman, City Clerk Gabriel Adams, City Planner Trever Parker.

II. PLEDGE OF ALLEGIANCE

III. ADJOURNMENT TO CLOSED SESSION – *No closed session.*

IV. RECONVENE TO OPEN SESSION – *Nothing to report.*

V. APPROVAL OF AGENDA

*Move Discussion #4 to Consent, and Move Consent #4 to Discussion #1.
Motion (Baker/Tissot) to approve the agenda as amended. **Passed unanimously.***

VI. APPROVAL OF MINUTES – *July 13, 2016 cc*

*Motion (West/Baker) to approve the minutes as written. **Passed unanimously.***

VII. COUNCIL MEMBER REPORTS

Fulkerson: RREDC update.

Tissot: Thanked Staff for Water Treatment Plant Open House showcasing all the system upgrades.

Miller: HCAOG – Discussed options for Last Chance pass on Hwy 101.

VIII. STAFF REPORTS:

City Manager Berman submitted a report to the City Council at the meeting highlighting various accomplishments and project status for the month. Introduced **City Engineer Rebecca Crow** who presented a brief report about recent upgrades completed to the Water Treatment Plant.

Councilmember **Baker** requested the City complete whatever documentation is necessary to ensure that the Water Treatment Plant is on City-owned property, not in County right-of-way.

By consensus the Council agreed to leave Consent #4 as-is. No need to discuss.

IX. ITEMS FROM THE FLOOR:

Jim Cuthbertson – Trinidad

Requested a copy of the city trail maintenance schedule to find out when the Wagner Street Trail would be cleared. Also requested that the Town Hall entry doors be reviewed for ADA accessibility.

Stan Wood – Trinidad

Requested that the City consider writing a letter of support for the Trinidad Coastal Land Trust to purchase 1000 or more acres surrounding Strawberry Rock.

Jack Nounan – Trinidad

Forest Defender/Klamath Crisis Defender. Requested that the City ask Green Diamond to support TCLT effort to purchase land around Strawberry Rock and to stop clear-cutting nearby.

Mike Reinman – Trinidad

Two neighbors that live near a rental home I manage in Moonstone Heights frequently complain about anything related to vacation rentals. RCVR has taken many steps to mitigate and minimize issues, but those neighbors are not reasonable.

Susan Rotwein – Trinidad

Thanked Deputy Wilcox for excellent service. Support Caltrans repair efforts of Last Chance pass.

Concerned about development at Hidden Creek RV Park. Concerned about view protection on Underwood

Drive, specifically for long-time resident Carla Powell. Consider adopting policy to limit the length of meetings.

Alan Grau – Trinidad

Why are there parking variances for certain Ocean Avenue homes?

Jonna Kitchen – Trinidad

Concerned about all three major trails in Trinidad being in states of disrepair.

X. CONSENT AGENDA

1. Financial Status Reports for June 2016.
2. Notice of Deadline for Submission of Arguments in Favor or Against Sales Tax Extension Measure G.
3. MOU with the County of Humboldt to Accept Measure Z Grant Funds
4. Approve Closeout Documents for Water Treatment System Upgrades
5. Agreement for Labor Compliance Services and MOU with the County of Humboldt for Proposition 84 Grant Project.

Council added Discussion #2 to Consent.

*Motion (Fulkerson/West) to approve the consent agenda as amended. **Passed unanimously.***

XI. DISCUSSION/ACTION AGENDA:

1. Discussion/Decision regarding Amending Ordinance 2014-01, the City of Trinidad Vacation Dwelling Unit (VDU) Ordinance.

City Manager Berman introduced the item by highlighting the following information:

Note on Terminology: Staff and the Planning Commission are recommending that the City use the term 'Short Term Rental' (STR) in place of Vacation Dwelling Unit (VDU). STR is more widely used, and, staff would argue, a more accurate title. Unless directed otherwise by the Council, staff will use STR in place of VDU going forward.

PC Recommendations: The Planning Commission's recommendations regarding amendments to the Ordinance include both a summary table, and a 'track changes' draft of the Amended Ordinance, showing all changes from the existing Ordinance. The public record from the Planning Commission's meetings on this recommendation are available on the City website and are compiled in a hard copy binder available at the Clerk's Office.

Staff Comments: The Council initiated this process of considering amendments to the STR Ordinance primarily out of concern that some limitations to the number of STRs in Trinidad may be necessary. The amendment process also provides an opportunity to revisit and improve the existing STR Ordinance approach to basic issues such as occupancy, parking, noise, and enforcement. The Planning Commission has covered all of these issues and more in a very thorough effort.

Staff advises Council to carefully consider the complexity of any new regulatory system you adopt in this matter, both in terms of staff effort necessary to oversee it, and potential for confusion and conflict in its implementation. With this in mind, staff sees the buffer distance approach, and the five year lottery cycle, as particularly complicated systems to implement on an ongoing basis.

Staffing and Costs: An important related discussion is about the staff resources necessary to implement and oversee this Ordinance. It seems appropriate that this cost should be borne primarily by the STR industry. The specific fees can and should be set by separate Resolution, not within the Ordinance. However the Ordinance can spell out the intent to do so. Staff recommends you direct us to draft such language for the Ordinance, and agendize a discussion of the appropriate staffing level and fees for discussion in parallel with the completion of the revisions to this Ordinance.

Public comment included:

Alan Grau – Trinidad

Take your time with this process. Make sure applicants submit all required documents and no exceptions are made. Count children when considering occupancy restrictions. Complaints should be made on Trinidad website. There are many issues caused by vacation rentals.

Lore Snell – Trinidad

There's no provision in the ordinance that allow for vacation rental guests to complain. I've had visitors come to my shop and complain about resident behavior and harassment.

Mike Reinman – Trinidad/RCVR

"Local contact" should add "or designee". Clarification is needed where it says "manager must personally respond...". Backup emergency contact number would be helpful. "Meeting guest on arrival date" should say "within 24 hours of arrival". Regarding Dispute Resolution, complainers should be required to participate.

Jonna Kitchen – Trinidad/Trinidad Retreats

Permit fees should cover implementation. Enforcement should be applied across the board with all ordinances, not just vacation rentals. I agree that a cap is necessary, but losing 30% of rentals could mean a loss of up to \$40,000 in revenue. Pencil this out first. No Lottery! Treating owner-occupied rentals differently is making assumptions. Guest registry and Meet and Greet policies are very difficult to implement. Communicating City policy with guests is very doable.

Dorothy Cox – Trinidad

I agree with a cap, and less rentals in the UR zone. I agree with buffers, 60-day minimum activity, No permit transferability, kids count with occupancy, vegetation maintenance component, 300ft notification, no exceptions for properties with issues, 10pm quiet time, and no visitors. Submitted comments in writing.

Susan Rotwein – Trinidad

Echo Dorothy Cox's comments. Support cap numbers proposed by PC. Visitor Service zones were designated by the City in the early 80's back when travel trailer courts were fish camps. Now they're long-term low-income housing. The City should take that into consideration. Also, no lottery. That's gambling. We need to balance, manage, and learn to accept the visitor economy. Attrition and enforcement will get us to the new numbers. Overall noise ordinance should be equal for all residents. I have heard criticisms of residents by visitors too.

Barbara Snell – Trinidad

Read a letter on behalf of her daughter Karen Hicks, who depends on the vacation rental for income. It meets all the requirements. Vacation rentals are the only option for visitors wanting to stay in town. Tourists are the livelihood of this community. They love the town and support it.

Jim Cuthbertson – Trinidad

I live next to 2 rentals and have never had any problems. Treat visitors nice and they'll treat you nice.

Leslie Farrar – Trinidad

Read from a submitted letter that included ordinance preferences such as license renewals, visitor clarification, water use limits, number of occupants, etc.

Council comments included:

Miller: Supports the vacation rental industry, a cap, and good enforcement.

West: This represents the coming together of many community minds, and excited that with compromise we're getting closer to a conclusion.

Fulkerson: Thanked the PC for recommendations. It may seem unfair to some, but balancing quality of life, tourism industry, and village values are the priorities. I support a cap, but no lottery or 5-year license limit. I support gradual attrition through enforcement. I have no problem with a higher permit fee of up to \$1000. I support greeting guests, but I'm not ok with taking permits from good rentals.

Baker: I support more administrative decisions, the need for enforcement, increased fees, less micro-managing ordinance, more discretionary authority, and getting to the cap in the most direct way possible. The lottery concept doesn't seem defensible. Planned Development Zones should not be limited in the same way UR and SR zones are.

Tissot: No one can say that Trinidad doesn't care. These are very passionate discussions. My family moved here with a good quality of life as an expectation. Others purchased here with business or investments in mind. I agree with the cap, but how we get there is challenging. Enforcement is a big issue, but managers must be able to defend themselves from complaints too. There should be limits on complaints. Property management needs to do their job, and the buffer approach is not fair.

City Attorney Andy Stunich suggested that a fair way to get to the cap is to get rid of bad properties. The City is light-years ahead already. The very presence of enforcement authority is a huge incentive for compliance.

Regarding the 5-year permit period, the concept was dismissed by West, Fulkerson, Baker, and Tissot.

Regarding transferability, Council consensus was that permits should only be transferred once to a spouse. There was further discussion regarding corporations, family trusts, and LLC ownership loopholes. City Attorney Stunich was asked to provide guidance and draft language that would prohibit homeowners from bypassing the transfer limit through such types of arrangements.

Regarding buffers, Baker proposed a more simple solution of 1 or 2 non-STR's separating STR's, but West, Fulkerson, Tissot, and eventually Baker agreed to NO buffers.

Motion (West/Fulkerson) to continue the discussion to a future meeting. **Passed unanimously.**

2. Discussion/Decision regarding Reinman Appeal of the City Manager's "Significant Violation" Determination made against a VDU on Ocean Avenue.

City Manager Berman explained that information regarding the incident and the Manager's determination was included in the Planning Commission packet and in the appeal of the Planning Commission decision filed by Mr. Reinman. Section 17.72.100 of the Zoning Ordinance allows affected parties to appeal staff determinations to the Planning Commission within 10 working days of being notified of the decision. Likewise, the Planning Commission's action in this matter was appealable to the City Council.

Planning Commission took action to unanimously deny the appeal and uphold the City Manager's determination on June 15, 2016. Mr. Reinman filed an appeal of the Planning Commission's decision later in June. The Planning Commission's motion for denying the appeal was as follows:

Motion (Scott/Poulton) that based on based on the application materials and information and findings included in the Staff Report, and based on public testimony, I vote to uphold the City Manager's determination. **Passed (5-0). Passed unanimously.**

Public comment included:

Leslie Farrar - Trinidad

This second appeal explains why STR's are not compatible in residential zones.

Alan Grau – Trinidad

Who is protecting the residents? This is a waste of time. Trinidad belongs to the residents, not visitors.

Gail Covney – Trinidad

Owned home since 1999. It has been a vacation rental for 9-years, enabling us to visit our local family here every summer.

Mike Reinman – RCVR Owner/Manager/Appellant

The City Manager left testimony out of his staff report that came from the immediate neighbors, who explained that they were not affected at all by the incident that night. RCVR was not called until 8:15 am the following morning. It's not my fault that the city put the wrong number on the neighbor notifications for RCVR. Had the city put the right number on the notification, we might not be having this discussion. I

disagree that this home is considered a bad rental. My staff does a great job. Nothing in the ordinance says there can't be 15-20 people at that house at one time. I can react and be proactive, and we work very hard to do that. The same people who always complain are after me. They are hyper-sensitive to everything. Had I known about the issue, I would have responded immediately. When the ordinance was written, significant violations were reserved for non-responsive managers. People exaggerate and make repeated false complaints. I should be protected from them.

Richard Johnson – Trinidad Planning Commission

There's no question that there were clerical errors made in the process. As a customer/neighbor, there's an opportunity to work with neighbors and develop a better relationship. **Reinman** explained that he has contacted both neighbors and requested mediation. Neither have responded.

Council comments included:

Fulkerson: You have a right to appeal. The PC voted 5-0 to uphold the manager's decision. Sorry to see so many people involved. Apologize and move on. I support upholding the PC and Manager's decision.

Miller: Questioned RCVR internal procedures. Reinman clarified.

West: Significant violation does not mean bad management. This may have been a one-time problem.

Baker: Standing behind the PC and Manager.

*Motion (Fulkerson/Baker) to uphold the City Manager and Planning Commission's decision to declare the incident a significant violation. **Passed 5-0.***

3. Discussion/Decision to rescind Resolution 2015-02 and approve Resolution 2016-10; Amending Drought Restrictions for Trinidad.
Moved to consent agenda and approved.
4. Discussion/Decision regarding draft Ordinance 2016-02; Proposing an Extension of the ¾% Sales Tax Increase to be implemented by the State Board of Equalization pending voter approval at the November 08, 2016 Election.
*Motion (West/Tissot) to approve the first reading of Ordinance 2016-02. **Passed unanimously.***

XII. ADJOURNMENT

Meeting ended at 10:40pm.

Submitted by:

Approved by:

Gabriel Adams
City Clerk

Dwight Miller
Mayor